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IN THE
SUPREME COURT OF THE UNITED STATES
October Term, 1971

No. 71-635

ROBERT T. STEAD, Petitioner
v.
SECURITIES AND EXCHANGE COMMISSION, Respondent

ON PETITION FOR A WRIT OF CERTIORARI TO
THE UNITED STATES COURT OF APPEALS
FOR THE TENTH CIRCUIT

REPLY OF PETITIONER STEAD

ARTHUR F. MATHEWS
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December ~~15~~ 20, 1971

IN THE
SUPREME COURT OF THE UNITED STATES
October Term, 1971

No. 71-635

ROBERT T. STEAD, Petitioner
v.
SECURITIES AND EXCHANGE COMMISSION,
Respondent

REPLY OF PETITIONER STEAD

Contrary to the assertions of the Memorandum for the Securities and Exchange Commission, it is apparent from the opinions below that the Commission did impose sanctions on Petitioner Stead in reliance upon the truthfulness of the allegations in other proceedings in which no adjudicatory determination regarding the truth or falsity of the allegations had been made.

The discussions in the Commission's opinions of the unrelated proceedings were not mere observations; they were set forth as evidence of repeated violations of the securities laws as a reason for sanctioning Stead in the manner proposed. (A. 12; A. 16) At the time the instant proceeding was initiated no complaint had been made against him,[1] yet the Commission subsequently issued a complaint and then relied upon that very complaint as evidence of the need for the sanctions imposed. The

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[1]The complaint in the unrelated proceeding was issued in April, 1969, which was subsequent to the hearing in the instant matter which was held before the Commission's hearing examiner on May 21 to 27, 1968. (Pet. App. 3)

truthfulness of the allegations in the other proceeding were not placed in issue – they were cavalierly assumed to be true.

For the foregoing reasons it is respectfully submitted that a Writ of Certiorari should be granted.

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Attorneys for Petitioner,
Robert T. Stead

Certificate of Service

I hereby certify that on this 20th ~~15th~~ day of December, 1971, three copies of the Reply of Petitioner Stead were mailed, ~~air mail~~ postage prepaid, to the Soliciter General, Department of Justice, Washington, D.C. 20530 and to the Office of the General Counsel, Securities and Exchange Commission, 500 North Capitol Street, Washington, D.C. 20570. I further certify that all parties required to be served have been served.

/s/ Arthur F. Mathews
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